IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

FIBER SYSTEMS INTERNATIONAL, INC., Plaintiff. VS.

APPLIED OPTICAL SYSTEMS, INC.,

Defendant.

CIVIL ACTION NO. 2-06-CV-473

FIBER SYSTEMS INTERNATIONAL, INC.'S OPPOSED MOTION FOR LEAVE TO FILE ITS SECOND AMENDED ORIGINAL COMPLAINT

Plaintiff Fiber Systems International, Inc. ("Plaintiff" or "FSI") files its Opposed Motion for Leave to File its Second Amended Original Complaint and respectfully requests permission to file with the Court the attached Second Amended Original Complaint.

- Pursuant to the agreement of the parties, as reflected in the Amended Docket Control Order, Plaintiff served on June 3, 2009, its Second Updated Disclosure of Asserted Claims and Infringement Contentions ("Second Disclosure") pursuant to Patent Rules 3-1 and 3-2 and filed its Notice of Compliance with the Court. See Docket No. 226. FSI's Second Disclosure incorporates certain developments since the publication of the reexamined patent certificate on March 31, 2009: specifically, FSI's infringement contentions against AOS's most recent attempts to develop an alleged design around connector.
- 2. By this motion, FSI seeks to amend its First Amended Original Complaint only to mirror its Second Disclosure and incorporate its infringement allegations against each of AOS's failed attempts to allegedly design around the patent in suit. Because there is no undue delay,

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bad faith or dilatory motive, FSI respectfully requests that it be granted leave pursuant to FED. R.

CIV. P. 15 to amend its complaint and file its Second Amended Original Complaint, attached

hereto as Exhibit 1.

3. As the Fifth Circuit has long held, "'[d]iscretion' may be a misleading term, for rule

15(a) severely restricts the judge's freedom, directing that leave to amend 'shall be freely given

when justice so requires.' It evinces a bias in favor of granting leave to amend." Dussouy v.

Gulf Coast Inv. Corp., 660 F.2d 594 (5th Cir. 1981). This is designed to "permit liberal

amendment to facilitate determination of claims on the merits and to prevent litigation from

becoming a technical exercise in the fine points of pleading." Foman v. Davis, 371 U.S. 178,

182 (1962). Permitting amendment is especially appropriate when it will achieve the purposes of

FED. R. CIV. P. 1, wherein the overriding consideration is that "(t)hese rules . . . shall be

construed to secure the just, speedy and inexpensive determination of every action." Denying

leave to amend violates that directive when the plaintiff's alternative recourse is simply to file a

new action. See, e.g., Dussouv v. Gulf Coast Inv. Corp., 660 F.2d at 599. Therefore, unless there

is a substantial reason to deny leave to amend, the discretion of the district court is not broad

enough to permit denial of leave to amend. See Lone Star Motor Import v. Citroen Cars, 288

F.2d 69, 75 (5th Cir. 1961).

4. The types of reasons that might justify denial of permission to amend a pleading

include undue delay, bad faith or dilatory motive on the part of the movant, repeated failure to

cure deficiencies by amendments previously allowed, and undue prejudice to the opposing party.

See, e.g., Dussouy v. Gulf Coast Inv. Corp., 660 F.2d at 598. Without any such showing, Rule

15(a) requires the trial judge to grant leave to amend whether or not the movant shows prejudice.

See id.

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5. There is no blanket rule regarding the exact timing regarding when a movant must

seek leave to amend or otherwise waive such relief. See, e., g., Sherman v. Hallbauer, 455 F.2d

1236 (5th Cir. 1972). To the contrary, a pleading amendment can be appropriate as late as trial or

even after trial. See, e.g., 6 C. Wright & A. Miller, Federal Practice and Procedure § 1488

(1971); see also FED. R. CIV. PRO. 15(b). For example, the Fifth Circuit has permitted the

amendment of a complaint when the case was remanded to the district court, having already been

tried and appealed. See Galvan v. Bexar County, Texas, 785 F.2d 1298 (5th Cir. 1986).

6. There is no undue delay, bad faith or dilatory motive on the part of FSI to preclude

the filing of its Second Amended Original Complaint. To the contrary, FSI's Rules 3-1 and 3-2

contentions were only recently due, and were timely served on AOS before this requested

amendment. Specifically, after the publication of the reexamination certificate, FSI served AOS

with its infringement contentions against AOS's original infringing connector and first alleged

design around (i.e., the "EZ-Mate") on May 12, 2009, pursuant to the agreement of the parties.

Thereafter, AOS produced to FSI another alleged design around for the first time on May 12.

2009, and FSI responded with its infringement contentions against that device on June 3, 2009,

again pursuant to the agreement of the parties. Because FSI has timely disclosed its infringement

contentions, and now only seeks to amend its complaint to ensure that it incorporates its

allegations against each of AOS's recently-disclosed connectors, there is no undue delay, bad

faith or dilatory motive relating to FSI's motion for leave.

7. Nonetheless, Defendant AOS is opposed to the relief requested in this Motion for

Leave.

8. Accordingly, Plaintiff respectfully requests that the Court grant this opposed motion

and accept for filing Plaintiff's Second Amended Original Complaint.

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Dated: June 9, 2009.

Respectfully submitted,

GREENBERG TRAURIG, LLP

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CERTIFICATE OF CONFERENCE

I hereby certify that I conferred with counsel to Defendant Applied Optical Systems, Inc. on June 2, 2009 and June 3, 2009, and opposing counsel confirmed that Defendant is opposed to the relief requested herein. Therefore, this motion is being presented as opposed.

<u>/s/ Peter S. Wahby</u> Peter S. Wahby

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on all counsel of record via the Court's ECF system on this the 9th day of June, 2009.

/s/ Peter S. Wahby
Peter S. Wahby